BOB F. ANDERSON, PE, INC.

PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpe@aol.com

January 14, 2003

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Hosston Zone, Reservoir B Unit,
Proposed Additional HOSS 6900' Sand Unit and
Proposed Downhole Combination of HOSS RB, HOSS 6900' SAND and
HOSS "E" Sand
Hico-Knowles Field
Lincoln Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **COWGILL & ASSOCIATES**, **LLC**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir B, Hosston 6900' Sand and the Hosston "E" Zone, Hico-Knowles Field, Lincoln Parish, Louisiana:

FOR THE HOSSTON ZONE, RESERVOIR B:

- 1. To establish one (1) 640 +/- acre drilling and production unit for the exploration for the production of gas and condensate for the Hosston Zone, Reservoir B, Hico-Knowles Field, Lincoln Parish, Louisiana, such unit being designated HOSS RB SUA, shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property property within the proposed unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To provide for future wells to be drilled to the Hosston Zone, Reservoir B, be located in accordance with Statewide Order No. 29-E.
- 4. To permit the unit operator to downhole combine the production from the Hosston Zone, Reservoir B, the Hosston 6900' Sand and the Hosston "E" Sand in the well bore of the proposed Cowgill & Associates, LLC Poland No. 1 Well or in any other well located within the proposed HOSS RB SUA, the HOSS 6900' SUE and the HOSS E SUO.

FOR THE HOSSTON 6900' SAND:

- 1. To establish one (1) additional 640 +/- acre drilling and production unit for the exploration of and the production of gas and condensate for the Hosston 6900' Sand, Hico-Knowles Field, Lincoln Parish, Louisiana, such unit being designated HOSS 6900' SUE, shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property within the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To extend the provisions of the 137-P Series of Office of Conservation Order to the proposed unit.
- 4. To permit the unit operator to downhole combine the production from the Hosston Zone, Reservoir B, the Hosston 6900' Sand and the Hosston "E" Sand in the well bore of the proposed Cowgill & Associates, LLC Poland No. 1 Well or in any other well located within the proposed HOSS RB SUA, the HOSS 6900' SUE and the HOSS E SUO.

FOR THE HOSS E SAND:

1. To permit the unit operator to downhole combine the production from the Hosston Zone, Reservoir B, the Hosston 6900' Sand and the Hosston "E" Sand in the well bore of the proposed Cowgill & Associates, LLC – Poland No. 1 Well or in any other well located within the proposed HOSS RB SUA, the HOSS 6900' SUE and the HOSS E SUO.

FOR THE HOSS ZONE, RESERVOIR B, THE HOSSTON 6900' SAND AND THE HOSS E SAND:

1. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana, is to be defined as that hydrocarbon bearing interval found between the depths of 6,955 feet to 7,780 feet (electric log measurements) in the California Company – M. H. Nobles et al No. 1 Well Unit B-27, located in Section 12, Township 19 North, Range 4 West, Lincoln Parish, Louisiana,

The Hosston 6900' Sand was defined in the 137-P Series of Office of Conservation Orders.

The Hosston "E" Zone was defined in the 137-G Series of Office of Conservation Orders.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A pre-application notice was sent to all parties stating a time and a date to discuss the proposed application however no request for a conference was received, therefore, no conference was held.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Attached hereto is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

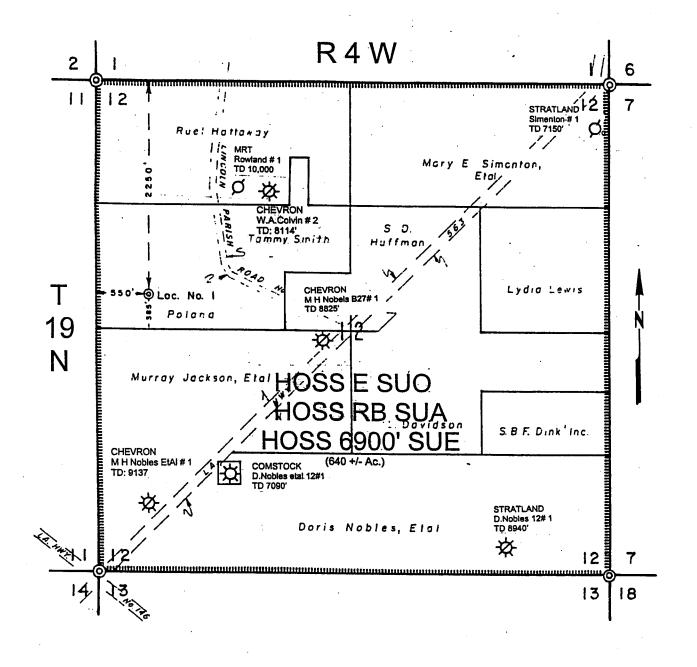
Yours truly,

B. F. Anderson, PE for

SF Com

COWGILL & ASSOCIATES, LLC

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties



EXISTING HOSS E SUO PROPOSED HOSS 6900' SUE & PROPOSED HOSS RB SUA

PROPOSED UNIT WELL AND WELL TO BE DOWNHOLE COMBINED

2000'

HOSS F WELL

1000.

500'

Docket No. Date: Exhibit No. 1

COWGILL & ASSOCIATES, LLC Shreveport, Louisiana

HICO-KNOWLES FIELD Lincoln Parish, Louisiana

Plat Showing: Proposed HOSS RB SUA, HOSS 6900' SUE & EXISTING HOSS E SUO